

Ongoing Compliance Improvement Benefits (AB 71 and the New Stamp)		
Evaluated at Fiscal Year 2010-11 Tax Rates		
<i>Assumptions:</i>		
<i>Cigarette revenues would have declined 3% per year without licensing or the new stamp.</i>		
<i>Tobacco products sales and revenues would not have changed without licensing.</i>		
<i>Thirty-month implementation period for both licensing and the new stamp.</i>		
<i>(January 1, 2004 through June 30, 2006)</i>		
<i>Revenues are annual and ongoing.</i>		
<i>Tobacco products tax rate is for fiscal year 2010-11.</i>		
		Fiscal Year 2010-11 and Future FYs
	Tax Rate or Price	Millions
Cigarettes		
Distributions (Millions of Packs)	n.a	100.8
Excise Taxes	\$0.87	\$87.7
General Fund	\$0.10	\$10.1
Breast Cancer	\$0.02	\$2.0
Proposition 99	\$0.25	\$25.2
Proposition 10	\$0.50	\$50.4
Sales and Use Taxes		
Average Retail Price Per Pack	\$4.91	
Retail Value of Cigarette Sales	n.a	\$495.0
Sales and Use Taxes, Total	9.00%	\$44.5
General Fund Portion	6.00%	\$29.7
Fiscal Recovery Fund	0.25%	\$1.2
Local	2.00%	\$9.9
Transit	0.75%	\$3.7
Total General Fund, Cigarettes	n.a.	\$39.8
Tobacco Products		
Wholesale Sales	n.a.	\$38.8
Excise Taxes	33.024%	\$12.8
Proposition 99	20.97%	\$8.1
Proposition 10	12.05%	\$4.7
Sales and Use Taxes		
Retail Mark-Up Over Wholesale Price	35%	n.a.
Estimated Value of Retail Sales	n.a.	\$52.4
Sales and Use Taxes, Total	9.10%	\$4.8
General Fund Portion	6.00%	\$3.1
Fiscal Recovery Fund	0.25%	\$0.1
Local	2.00%	\$1.0
Transit	0.85%	\$0.4
Total Excise and Sales and Use Taxes		\$149.8
Totals may not sum due to rounding.		

Prepared by Joe Fitz
(916) 323-3802
Research and Statistics Section
California Board of Equalization
April 11, 2011